

**CITY OF BISMARCK POLICE**  
**PERFORMANCE REPORT FOR SEPTEMBER 2001**

11/9/2001

	Assets as of September 30, 2001			*RATES OF TOTAL RETURN					
	EMV \$(000)	Actual Alloc	Policy Alloc	Quarter Ended				2002 FYTD	YR Ended 6/30/2001
				Sep-01	Jun-01	Mar-01	Dec-00		
LARGE CAP EQUITY									
Structured Growth									
Alliance Capital Management	222	2.1%	2.6%	-20.69%	10.03%	-20.32%	-16.57%	-20.69%	-28.08%
RUSSELL 1000 GROWTH				-19.41%	8.42%	-20.90%	-21.35%	-19.41%	-36.18%
Structured Value									
LSV	289	2.8%	2.6%	-8.79%	8.10%	-0.19%	7.21%	-8.79%	28.93%
RUSSELL 1000 VALUE				-10.95%	4.88%	-5.86%	3.60%	-10.95%	3.84%
Enhanced S&P Index (1)									
Northern Trust Global Investments	471	4.6%	5.1%	-14.35%	5.69%	-11.46%	-8.41%	-14.35%	N/A
Strong Capital	461	4.5%	5.1%	-15.98%	3.71%	-9.66%	-7.84%	-15.98%	N/A
Westridge Capital	548	5.3%	5.1%	-14.60%	5.60%	-10.86%	-7.16%	-14.60%	N/A
Total Enhanced S&P Index	1,481	14.3%	15.4%	-14.96%	5.02%	-11.43%	-7.79%	-14.96%	N/A
S&P 500				-14.68%	5.85%	-11.86%	-7.82%	-14.68%	N/A
Enhanced Russell 1000 Index (1)									
Wilshire	469	4.5%	5.1%	-15.41%	6.52%	-12.21%	-7.99%	-15.41%	N/A
RUSSELL 1000				-15.23%	6.31%	-12.57%	-9.15%	-15.23%	N/A
S&P 500 Index									
State Street - S&P 500 Index	825	8.0%	8.6%	-14.68%	5.85%	-11.86%	-7.79%	-14.68%	-14.75%
S&P 500				-14.68%	5.85%	-11.86%	-7.82%	-14.68%	-14.83%
TOTAL LARGE CAP EQUITY	3,287	31.8%	34.3%	-14.80%	6.06%	-11.10%	-7.37%	-14.80%	-11.52%
S&P 500				-14.68%	5.85%	-11.86%	-7.82%	-14.68%	-14.83%
SMALL CAP EQUITY (2)									
SEI	1,028	9.9%	10.7%	-20.04%	N/A	N/A	N/A	-20.04%	N/A
RUSSELL 2000 + 200 bp				-20.29%	14.79%	N/A	N/A	-20.29%	N/A
TOTAL SMALL CAP EQUITY	1,028	9.9%	10.7%	-20.02%	-5.80%	-6.44%	-8.28%	-20.02%	1.69%
RUSSELL 2000				-20.79%	14.29%	-6.51%	-6.91%	-20.79%	0.57%
INTERNATIONAL EQUITY									
Intl Core									
State Street	270	2.6%	2.8%	-15.06%	0.60%	-10.23%	-3.17%	-15.06%	-17.93%
MSCI 50% HEDGED EAFE INDEX				-16.41%	0.15%	-10.44%	-3.47%	-16.41%	-17.95%
Intl Active									
Capital Guardian	263	2.5%	2.8%	-17.26%	0.85%	-9.61%	-6.11%	-17.26%	-20.14%
MSCI 50% HEDGED EAFE INDEX				-16.41%	0.15%	-10.44%	-3.47%	-16.41%	-17.95%
TOTAL INTERNATIONAL EQUITY	533	5.2%	5.5%	-16.14%	0.72%	-9.66%	-4.64%	-16.14%	-18.81%
MSCI 50% HEDGED EAFE INDEX				-16.41%	0.15%	-10.44%	-3.47%	-16.41%	-17.95%
EMERGING MARKETS									
Value - Active - Commingled									
Capital Guardian	163	1.6%	2.0%	-24.96%	6.98%	-7.44%	-16.15%	-24.96%	-29.31%
MSCI EMERGING MKTS FREE INDEX				-21.60%	3.90%	-5.46%	-13.32%	-21.60%	-25.93%
DOMESTIC FIXED INCOME									
Core Bond									
Western Asset	674	6.5%	4.9%	4.75%	1.37%	3.64%	4.08%	4.75%	13.40%
LB AGGREGATE				4.61%	0.56%	3.03%	4.21%	4.61%	11.22%
Active Duration									
Criterion	663	6.4%	4.9%	3.28%	0.67%	2.67%	5.23%	3.28%	12.34%
LB AGGREGATE				4.61%	0.56%	3.03%	4.21%	4.61%	11.22%
Index									
Bank of North Dakota	697	6.7%		5.01%	0.04%	3.29%	4.60%	5.01%	11.04%
BND (Match Loan Program)	119	1.1%		1.43%	1.45%	1.43%	1.44%	1.43%	5.89%
Total Bank of North Dakota	816	7.9%	7.5%	4.19%	0.37%	2.83%	3.86%	4.19%	9.79%
LB GOV/CORP				4.76%	0.30%	3.20%	4.37%	4.76%	11.13%

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Core									
Strong Capital	686	6.6%	4.9%	4.04%	1.17%	4.74%	3.42%	4.04%	13.45%
LB BAA BOND INDEX				3.59%	0.79%	0.59%	1.53%	3.59%	6.00%
Convertibles									
TCW	540	5.2%	4.9%	-16.04%	4.87%	-9.69%	-13.21%	-16.04%	-13.58%
1ST BOSTON CONVERTIBLE INDEX				-11.01%	4.12%	-6.24%	-12.31%	-11.01%	-11.87%
Timberland									
Wachovia	4	0.0%	2.8%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL DOM FIXED INCOME	3,384	32.7%	30.0%	0.42%	1.55%	1.02%	0.61%	0.42%	6.87%
LB AGGREGATE				4.61%	0.56%	3.03%	4.21%	4.61%	11.22%
HIGH YIELD BONDS									
Western Asset	499	4.8%	5.0%	-4.41%	-1.75%	3.88%	-5.57%	-4.41%	-4.46%
LB HIGH YIELD BOND INDEX				-4.23%	-2.29%	6.36%	-5.24%	-4.23%	-0.96%
INTERNATIONAL FIXED INCOME									
Intl Core									
Brinson	518	5.0%	4.5%	7.80%	-2.51%	-5.37%	5.73%	7.80%	-7.58%
SALOMON NON-US GOV'T BOND				7.75%	-1.97%	-4.90%	4.00%	7.75%	-7.43%
REAL ESTATE (3)									
J.P. Morgan	577	5.6%	5.0%	1.47%	2.41%	1.91%	3.24%	1.47%	10.27%
NCREIF PROPERTY INDEX				1.75%	2.26%	2.28%	3.23%	1.75%	11.15%
PRIVATE EQUITY (3)									
Coral Partners V	97	0.9%		-34.09%	-1.35%	-1.54%	23.35%	-34.09%	19.29%
Coral Partners Supplemental V	3	0.0%		N/A	N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	18	0.2%		-3.49%	-11.40%	-7.87%	7.46%	-3.49%	-3.63%
Brinson 1999 Partnership Fund	23	0.2%		-1.32%	-7.40%	-5.26%	4.53%	-1.32%	-4.36%
Brinson 2000 Partnership Fund	28	0.3%		-0.50%	-2.89%	-1.42%	6.03%	-0.50%	2.74%
Brinson 2001 Partnership Fund	4	0.0%		-0.12%	1.13%	0.02%	N/A	-0.12%	N/A
Brinson 1999 Non-US Partnership Fund	7	0.1%		-1.98%	-3.16%	2.55%	-2.64%	-1.98%	2.24%
Brinson 2000 Non-US Partnership Fund	5	0.0%		-1.98%	-3.50%	-0.37%	-2.36%	-1.98%	-7.03%
Brinson 2001 Non-US Partnership Fund	2	0.0%		0.66%	0.66%	N/A	N/A	0.66%	N/A
Brinson BVCF IV	43	0.4%		-11.21%	-3.31%	-3.49%	-5.23%	-11.21%	-11.46%
Hearthstone	20	0.2%		2.94%	8.16%	0.00%	0.01%	2.94%	8.17%
TOTAL PRIVATE EQUITY	250	2.4%	3.0%	-16.05%	-2.41%	-2.40%	11.85%	-16.05%	8.06%
POST VENTURE CAPITAL INDEX				-35.63%	23.87%	-31.48%	-38.61%	-35.63%	-48.23%
CASH EQUIVALENTS									
TNT Short Term Extendable Portfolio	108	1.0%	0.0%	1.03%	1.34%	1.27%	1.70%	1.03%	5.91%
90 DAY T-BILLS				1.08%	1.12%	1.51%	1.63%	1.08%	5.90%
TOTAL FUND	10,346	100.0%	100.0%	-8.21%	4.03%	-4.63%	-3.41%	-8.21%	-3.41%
POLICY TARGET BENCHMARK				-8.05%	4.42%	-5.27%	-3.69%	-8.05%	-4.65%
TOTAL VALUE ADDED DUE TO									
Asset Mix				1.26%	0.00%	0.44%	-0.02%	1.26%	0.53%
Active Management				-1.42%	-0.38%	0.24%	0.31%	-1.42%	0.76%
Total Value Added				-0.16%	-0.37%	0.68%	0.29%	-0.16%	1.30%

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

**\*NOTE:**

Monthly returns and market values are preliminary and subject to change.

Returns are net of investment management fees.